

## **CERTIFICATION**

I, Scott R. Ostericher, do hereby certify that I am the AVP, Claim Operations of Mt. Hawley Insurance Company, a corporation organized and existing under the laws of the State of Illinois, and that to the best of my knowledge the attached is a true and correct copy of Policy No. GGL0026067 (08/31/2021-08/31/2022) issued to Named Insured Beach Cruiser, LLC, 40 Ounce Highway, LLC.

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Scott R. Ostericher, AVP, Claim Operations, Claims



**Mt. Hawley Insurance Company**  
 9025 North Lindbergh Drive, Peoria, IL 61615  
 Phone: (309) 692-1000

## COMMON POLICY DECLARATIONS

**Policy Number:** GGL0026067

**Renewal of Number:** GGL0019322

**Item 1. Named Insured and Mailing Address:**  
 See attached RGBC 610

**Broker Name and Address:**  
 Bass Underwriters  
 3355 Annadale Lane Suite 2  
 Suwanee, GA 30024

**Item 2. Policy Period:** From 8/31/2021 to 8/31/2022  
 at 12:01 A.M. Standard Time at your mailing address shown above.

**Item 3. Business Description:**  
 LRO

**Item 4. Form of Business:** ☐ Individual ☐ Joint Venture ☐ Limited Liability Company ☐ Partnership  
☒ Organization (Other than Partnership, Joint Venture, or Limited Liability Company)

**Item 5. In return for the payment of the premium, and subject to all the terms of this policy, we agree with you to provide the insurance as stated in this policy.**

This policy consists only of the Coverage scheduled below. Premium may be subject to adjustment.

**Coverage:**  
**Commercial Property**  
**General Liability**  
**Inland Marine**  
**Crime**

**Form No.**

CG 0001 (04/13)

**Premium:**

\$

**Premium Payable To Insurer:**

Terrorism:

**Total Premium:**

\$

**Item 6. Forms and Endorsements:**

Forms and endorsements made part of this policy at time of issuance are listed in the Schedule of Forms And Endorsements RGBC 150 attached to this policy.

This company has been approved by the director or his designee of the South Carolina Department of Insurance to write business in this State as an eligible surplus lines insurer, but it is not afforded guaranty fund protection.

Authorized Representative

THE COMMON POLICY DECLARATIONS AND ANY ADDITIONAL DECLARATION(S), TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE PART(S), COVERAGE FORM(S), AND FORMS AND ENDORSEMENTS, IF ANY, COMPLETE THE ABOVE NUMBERED POLICY.

Policy Number: GGL0026067

Mt. Hawley Insurance Company

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****SCHEDULE OF FORMS AND ENDORSEMENTS****Common Forms**

<b>Form Number</b>	<b>Form Description</b>
<b>RGBC 0002 (06-19)</b>	Common Policy Declarations
<b>RGBC 150 (05-16)</b>	Schedule of Forms
<b>RIL 200 (07-98)</b>	INSURED FRAUD LETTER
<b>UW 20342 (03-12)</b>	OFAC Notice
<b>CPR 2230 (03-08)</b>	Terrorism Exclusion Endorsement
<b>CPR 2273 (04-12)</b>	Minimum Earned Premium Endorsement
<b>CPR 2281 (12-14)</b>	Nuclear, Biological, Chemical or Radioactive Exclusion
<b>IL 0017 (11-98)</b>	Common Policy Conditions
<b>IL 0021 (09-08)</b>	Nuclear Energy Liability Exclusion Endorsement (Broad Form)
<b>IL 0249 (09-08)</b>	South Carolina Changes - Cancellation and Non-Renewal
<b>RGBC 609 (05-16)</b>	Mold and/or Fungus Exclusion
<b>RGBC 610 (01-18)</b>	NAMED INSURED SCHEDULE
<b>ILF 0001C (04-16)</b>	Signature Page

**Liability Forms**

<b>Form Number</b>	<b>Form Description</b>
<b>RGBG 0001 (06-19)</b>	Commercial General Liability Policy Declarations
<b>RGBG 0003 (12-16)</b>	Commercial General Liability Coverage Part Supplemental Declarations
<b>RGBG 670 (05-16)</b>	Location Supplementary Schedule
<b>RGBG 0010 (11-16)</b>	Commercial General Liability Coverage Part Classification Descriptions
<b>CG 0001 (04-13)</b>	Commercial General Liability Coverage Form
<b>CG 2136 (03-05)</b>	Exclusion - New Entities
<b>CG 2139 (10-93)</b>	Contractual Liability Limit
<b>CG 2144 (07-98)</b>	Limitation of Coverage to Designated Premises or Project
<b>CG 2147 (12-07)</b>	Employment Related Practices Exclusion
<b>CG 2149 (09-99)</b>	Total Pollution Exclusion
<b>CG 4014 (12-19)</b>	Cannabis Exclusion
<b>CGL 251 (08-09)</b>	Deductible Liability Insurance
<b>CGL 366 (03-18)</b>	Continuous or Progressive Injury and Damage Exclusion
<b>CGL 482 (04-17)</b>	Related Entity Endorsement
<b>CGL 492 (03-20)</b>	Exclusion - Human Trafficking
<b>CGL 493 (03-21)</b>	Exclusion - Access or Disclosure of Confidential or Personal Information and Data-Related Liability
<b>RGBG 601 (12-16)</b>	CLASSIFICATION LIMITATION
<b>RGBG 603 (05-20)</b>	Combination General Liability Endorsement (Non-Contractors)
<b>RGBG 607 (05-16)</b>	Assault and/or Battery Exclusion
<b>RGBG 629 (05-16)</b>	Animal/Reptile Exclusion
<b>RGBG 633 (05-16)</b>	Real Estate Development Exclusion
<b>RGBG 634 (05-16)</b>	Products/Completed Operations Included in General Aggregate
<b>RGBG 655 (05-16)</b>	Fines, Penalties, Punitive or Exemplary Damages Exclusion Endorsement
<b>RGBG 666 (05-16)</b>	Non-Stacking of Limits
<b>RGBG 685 (11-20)</b>	Abuse Or Molestation Exclusion - Specified Location(s)
<b>RGBG 694 (08-17)</b>	Exclusion - Firearms
<b>RGBG 696 (08-17)</b>	Exclusion - Hunting Activities
<b>RGBG 753 (06-20)</b>	Assault or Battery Exclusion - Scheduled

Policy Number: GGL0026067

Mt. Hawley Insurance Company

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SCHEDULE OF FORMS AND ENDORSEMENTS**

### **Liability Forms**

#### **Form Number**

#### **Form Description**

**RGBG 754 (06-19)**

Premium Computation Endorsement

**RGBG 760 (05-20)**

Warrant(s) Endorsements

**RGBG 761 (06-20)**

Exclusion - Sanitizing

**RGBG 762 (08-20)**

Defense and Tender of Limits Endorsement

**RGBG 765 (09-20)**

Amended Conditions Endorsement

**RIL 099 (06-19)**

Service of Suit Endorsement



**Mt. Hawley Insurance Company**  
Peoria, Illinois 61615

**ATTENTION POLICYHOLDER:**

**KEEP THIS NOTICE WITH YOUR INSURANCE PAPERS**

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false, incomplete, or misleading information, or conceals information concerning any material fact thereto, commits a fraudulent insurance act, which is a crime punishable by incarceration, and shall also be subject to civil penalties.



**Mt. Hawley Insurance Company**  
Peoria, Illinois 61615

## **NOTICE TO POLICYHOLDERS**

### **REGARDING THE UNITED STATES TREASURY DEPARTMENT – OFFICE OF FOREIGN ASSETS CONTROL (OFAC)**

This Policyholder Notice does not provide coverage nor can it be construed to replace any provisions of your policy. Please read your policy carefully to determine your rights, duties, and what is and what is not covered by your policy. This Notice should only be used to provide information concerning the possible impact of your insurance coverage as it relates to directives issued by OFAC.

#### **PLEASE READ THIS NOTICE CAREFULLY.**

OFAC administers and enforces economic and trade sanctions and places restrictions on certain transactions. OFAC acts pursuant to Executive Orders of the President of the United States and specific legislation. OFAC has identified and named numerous foreign agents, front organizations, terrorists, terrorist organizations, and narcotics traffickers, among others, as “Specially Designated Nationals and Blocked Persons.” The complete list can be found on the United States Treasury website – <http://www.treas.gov/ofac>.

Various trade or economic sanctions and other laws or regulations prohibit us from providing insurance in certain circumstances. In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance contract is considered a blocked or frozen contract and will be considered null and void. When an insurance policy is considered to be a blocked or frozen contract, all provisions of this insurance will be immediately subject to OFAC, and neither payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments may also apply.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **TERRORISM EXCLUSION**

1. We will not pay for loss, damage, cost or expense caused directly or indirectly by "terrorism" including "certified acts of terrorism," as defined in the Terrorism Risk Insurance Act, as amended, unless specifically provided by endorsement to this policy or any action taken to control, prevent, or suppress terrorism. Such loss, damage, cost or expense is excluded regardless of any other cause or event that contributes concurrently or in any sequence to this loss.
2. The following definition is added and applies under this endorsement wherever the term "terrorism" is used.

"Terrorism" means activities against persons, organizations or property of any nature:

**A.** That involve the following or preparation for the following:

1. Use or threat of force or violence; or
2. Commission or threat of a dangerous act; or
3. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and

**B.** When one or both of the following applies:

1. The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
2. It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

### **3. Fire Exception**

The following provision applies only where relevant state law requires coverage for fire losses resulting from acts of terrorism, and where a premium for such has been paid.

If an act of terrorism results in fire, we will pay for the loss or damage caused by that fire. This exception for fire applies only to direct loss or damage by fire to covered property. This exception does not apply to coverage for business income, extra expense, or fire legal liability.

4. Neither the terms of this endorsement nor the terms of any other terrorism endorsement attached to this policy provide coverage for any loss that would otherwise be excluded by this policy under:

- A.** Exclusions that address war, military action, or nuclear hazard; or
- B.** Any other exclusion.

5. The absence of any other terrorism endorsement does not imply coverage for any loss that would otherwise be excluded by this policy under:

- A.** Exclusions that address war, military action, or nuclear hazard; or
- B.** Any other exclusion.

**ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **MINIMUM EARNED PREMIUM ENDORSEMENT**

This endorsement changes Cancellation conditions elsewhere in the policy as follows:

This policy is subject to a minimum earned premium of 25% of the annual policy premium or \$ [REDACTED] whichever is greater.

When you request that the policy be cancelled, the total earned premium will be the calculated premium for the term of the policy or the minimum earned premium as calculated above, whichever is greater.

**ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.**



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **NUCLEAR, BIOLOGICAL, CHEMICAL OR RADIOACTIVE EXCLUSION**

We will not pay for loss or damage or associated cost or expense caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

- 1)** The use or threatened use of nuclear, biological, chemical, radioactive substances or the like, however caused.
- 2)** The accidental discharge of nuclear, biological, chemical, radioactive substances or the like, however caused.

**ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.**

IL 00 17 11 98

## COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

### A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
  - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

### B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

### C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

### D. Inspections And Surveys

1. We have the right to:
  - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and

- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
  - a. Are safe or healthful; or
  - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

### E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

### F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

IL 00 21 09 08

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
FARM COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY

**1. The insurance does not apply:**

**A. Under any Liability Coverage, to "bodily injury" or "property damage":**

- (1)** With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
- (2)** Resulting from the "hazardous properties" of "nuclear material" and with respect to which **(a)** any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or **(b)** the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

**B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.**

**C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:**

- (1)** The "nuclear material" **(a)** is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or **(b)** has been discharged or dispersed therefrom;
- (2)** The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
- (3)** The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion **(3)** applies only to "property damage" to such "nuclear facility" and any property thereat.

**2. As used in this endorsement:**

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material **(a)** containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and **(b)** resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a)** Any "nuclear reactor";
- (b)** Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";

**(c)** Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

**(d)** Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

IL 02 49 09 08

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SOUTH CAROLINA CHANGES – CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
CRIME AND FIDELITY COVERAGE PART  
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
EQUIPMENT BREAKDOWN COVERAGE PART  
FARM COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

**A. Paragraphs 2. and 3. of **Cancellation** Common Policy Condition are replaced by the following:**

**2.** We may cancel this policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:

- a.** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- b.** 30 days before the effective date of cancellation if we cancel for any other reason.

**3.** We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.

**B. The following is added to the **Cancellation** Common Policy Condition:**

**7. Cancellation Of Policies In Effect For 120 Days Or More**

If this policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this policy only for one or more of the following reasons:

- a.** Nonpayment of premium;

**b.** Material misrepresentation of fact which, if known to us, would have caused us not to issue the policy;

**c.** Substantial change in the risk assumed, except to the extent that we should reasonably have foreseen the change or contemplated the risk in writing the policy;

**d.** Substantial breaches of contractual duties, conditions or warranties; or

**e.** Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Item **e.**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

- C. The following is added and supersedes any provisions to the contrary:

**Nonrenewal**

1. We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.
2. If we decide not to renew this policy, we will:
  - a. Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:
    - (1) The expiration date of this policy, if the policy is written for a term of one year or less; or
    - (2) An anniversary date of this policy, if the policy is written for a term of more than one year or for an indefinite term; and

- b. Provide at least:

- (1) 60 days' notice of nonrenewal, when nonrenewal is to become effective between November 1 and May 31; or
  - (2) 90 days' notice of nonrenewal, when nonrenewal is to become effective between June 1 and October 31.
3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.
  4. Any notice of nonrenewal will state the precise reason for nonrenewal.

Policy Number: GGL0026067

Mt. Hawley Insurance Company

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **MOLD AND/OR FUNGUS EXCLUSION**

Issued To: Beach Cruiser, LLC, 40 Ounce Highway, LLC
Endorsement Effective Date: 8/31/2021

The policy includes the following exclusion for Mold and/or Fungus:

This insurance does not apply to any "bodily injury", "property damage", "personal and advertising injury" or any physical loss of or damage to property nor do we have any duty to defend an insured against any "suit" caused by or contributed to, directly or indirectly, by the presence of

**(a)** Mold;

**(b)** Any material, product, building or building component containing any mold or contributing to the growth of mold; or

**(c)** Any solid or liquid substance, vapor, fume or gas arising from or generated by any mold.

Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss.

We do not cover any loss, cost or expense arising out of any such claim or "suit" for damages concerning mold regardless of any other cause, event, happening, occurrence that may have also caused, contributed to or aggravated the injury or damage.

This insurance does not cover any loss, cost or expense incurred by any person or entity (including any governmental organization) to test for, monitor, remove, treat or in any way respond to the actual or potential presence of mold.

"Mold" includes but is not limited to mold, mildew, fungi, bacteria, mushrooms, yeasts, dry rot, organisms or micro-organisms of any kind including any spores or other reproductive body produced by or arising out there from.

**ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.**

Policy Number: GGL0026067

Mt. Hawley Insurance Company

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **NAMED INSURED SCHEDULE**

The Named Insured(s) shown in the Declarations is amended to read:


Beach Cruiser, LLC, 40 Ounce Highway, LLC

**ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.**



## SIGNATURE PAGE

In Witness Whereof, we have caused this policy to be executed and attested, and, if required by state law, this policy shall not be valid unless countersigned by our authorized representative.



Corporate Secretary



President & COO



**Mt. Hawley Insurance Company**  
9025 North Lindbergh Drive, Peoria, IL 61615  
Phone: (309) 692-1000

## COMMERCIAL GENERAL LIABILITY POLICY DECLARATIONS

Policy No. GGL0026067

Named Insured and Mailing Address:  
Beach Cruiser, LLC, 40 Ounce Highway, LLC  
PO Box 20138  
Atlanta, GA 30325

Producer:  
Bass Underwriters  
6951 West Sunrise Boulevard  
Plantation, FL 33313

Policy Period: From 8/31/2021 to 8/31/2022 at 12:01 A.M. Standard Time at your mailing address shown above.  
In return for the payment of premium, and subject to all the terms of this policy, we agree with you to provide the insurance as stated in this policy.

### LIMITS OF INSURANCE

General Aggregate Limit (Other Than Products - Completed Operations)	\$2,000,000	
Products/Completed Operations Aggregate Limit	\$Included	
Personal and Advertising Injury Limit	\$1,000,000	
Each Occurrence Limit	\$1,000,000	
Damage To Premises Rented To You Limit	\$100,000	
Medical Expense Limit	\$5,000	Any One Person

### DESCRIPTION OF BUSINESS AND LOCATION OF PREMISES

Form of Business: ☐ Individual ☐ Partnership ☐ Joint Venture ☐ Trust ☐ Limited Liability Company  
☒ Organization (Other than Partnership, Joint Venture, or Limited Liability Company)

Business Description:

LRO

Location of All Premises You Own, Rent or Occupy:

### PREMIUM

Loc. No.	Code	Premium Basis*	Exposure	Products/Completed	All Other	Products/Completed	All Other
1	63010	Each	3	Included	██████	Included	\$████
2	49451	Each	1	Included	██████	Included	\$████
2	63011	Each	1	Included	██████	Included	\$████
3	49451	Each	1	Included	██████	Included	\$████
3	63010	Each	1	Included	██████	Included	\$████

Total Advance Premium \$████ (Payable at inception)

Minimum Audit Premium \$████

### FORMS AND ENDORSEMENTS

Forms and Endorsements applying to this Coverage Part and made part of this policy at time of issue:

Countersigned:

By

  
Authorized Representative

THESE ENDORSEMENTS TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE FORM(S) AND FORMS AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETE THE ABOVE NUMBERED POLICY.

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**Mt. Hawley Insurance Company**  
 9025 North Lindbergh Drive, Peoria, IL 61615  
 Phone: (309) 692-1000

## COMMERCIAL GENERAL LIABILITY COVERAGE PART SUPPLEMENTAL DECLARATIONS

<b>POLICY NO.</b>							
GGL0026067							
<b>NAMED INSURED</b>							
Beach Cruiser, LLC, 40 Ounce Highway, LLC							
				Rate		Advance Premium	
Location #	Class Code	Premium Basis*	Exposure	Products/ Completed	All Other	Products/ Completed	All Other
	99999	Each	1				\$
	99999	Each	1				\$

\*(a) area, (c) Total cost, (p) Payroll, (s) Gross Sales, (u) units, (e) Each, (o) Other

Policy Number: GGL0026067

Mt. Hawley Insurance Company

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **LOCATION SUPPLEMENTARY SCHEDULE**

Issued To: Beach Cruiser, LLC, 40 Ounce Highway, LLC
Endorsement Effective Date: 8/31/2021

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The Declarations includes the following as Covered Location(s):

Loc #	Address
1	146 President Street Unit B, C, D, Charleston, SC 29403
2	119 Ashley Avenue, Charleston, SC 29401
3	50 Bogard Street, Charleston, SC 29403

**ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.**

**Mt. Hawley Insurance Company**

9025 North Lindbergh Drive, Peoria, IL 61615

Phone: (309) 692-1000

## **COMMERCIAL GENERAL LIABILITY COVERAGE PART CLASSIFICATION DESCRIPTIONS**

The description of the Class Code(s) indicated on the Commercial General Liability Declarations and Commercial General Liability Supplemental Declarations are as follows:

<b>Code</b>	<b>Description</b>
99999	Abuse or Molestation
63010	Dwellings - one - family (lessor's risk only)
49451	Vacant Land - Other than Not - For - Profit
63011	Dwellings - two - family (lessor's risk only)
49451	Vacant Land - Other than Not - For - Profit
63010	Dwellings - one - family (lessor's risk only)

# COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V – Definitions.

## SECTION I – COVERAGES

### COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

#### 1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

- b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";

- (2) The "bodily injury" or "property damage" occurs during the policy period; and

- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

## 2. Exclusions

This insurance does not apply to:

### a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

### b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
  - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
  - (b) Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

### c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in:

- (a) The supervision, hiring, employment, training or monitoring of others by that insured; or
- (b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

if the "occurrence" which caused the "bodily injury" or "property damage", involved that which is described in Paragraph (1), (2) or (3) above.

However, this exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving or furnishing alcoholic beverages.

### d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

### e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
  - (a) Employment by the insured; or
  - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

**f. Pollution**

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
  - (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:
    - (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
    - (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
    - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
  - (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
  - (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
    - (i) Any insured; or
    - (ii) Any person or organization for whom you may be legally responsible; or
- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:
  - (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
  - (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
  - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".
- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".



(2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

**g. Aircraft, Auto Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
  - (a) Less than 26 feet long; and
  - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

(5) "Bodily injury" or "property damage" arising out of:

- (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or
- (b) The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

**h. Mobile Equipment**

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

**i. War**

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**j. Damage To Property**

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;

- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of seven or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III – Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

#### **k. Damage To Your Product**

"Property damage" to "your product" arising out of it or any part of it.

#### **l. Damage To Your Work**

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

#### **m. Damage To Impaired Property Or Property Not Physically Injured**

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

#### **n. Recall Of Products, Work Or Impaired Property**

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

#### **o. Personal And Advertising Injury**

"Bodily injury" arising out of "personal and advertising injury".

#### **p. Electronic Data**

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

However, this exclusion does not apply to liability for damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

#### **q. Recording And Distribution Of Material Or Information In Violation Of Law**

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or

- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

Exclusions c. through n. do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section III – Limits Of Insurance.

## **COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY**

### **1. Insuring Agreement**

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

### **2. Exclusions**

This insurance does not apply to:

#### **a. Knowing Violation Of Rights Of Another**

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

#### **b. Material Published With Knowledge Of Falsity**

"Personal and advertising injury" arising out of oral or written publication, in any manner, of material, if done by or at the direction of the insured with knowledge of its falsity.

#### **c. Material Published Prior To Policy Period**

"Personal and advertising injury" arising out of oral or written publication, in any manner, of material whose first publication took place before the beginning of the policy period.

#### **d. Criminal Acts**

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

#### **e. Contractual Liability**

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

#### **f. Breach Of Contract**

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

#### **g. Quality Or Performance Of Goods – Failure To Conform To Statements**

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

#### **h. Wrong Description Of Prices**

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

**i. Infringement Of Copyright, Patent, Trademark Or Trade Secret**

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

**j. Insureds In Media And Internet Type Businesses**

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of web sites for others; or
- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **14.a.**, **b.** and **c.** of "personal and advertising injury" under the Definitions section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

**k. Electronic Chatrooms Or Bulletin Boards**

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

**l. Unauthorized Use Of Another's Name Or Product**

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

**m. Pollution**

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

**n. Pollution-related**

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

**o. War**

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**p. Recording And Distribution Of Material Or Information In Violation Of Law**

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

**COVERAGE C – MEDICAL PAYMENTS****1. Insuring Agreement**

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) On premises you own or rent;
  - (2) On ways next to premises you own or rent; or
  - (3) Because of your operations;
- provided that:

- (a) The accident takes place in the "coverage territory" and during the policy period;
- (b) The expenses are incurred and reported to us within one year of the date of the accident; and
- (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

- (1) First aid administered at the time of an accident;
- (2) Necessary medical, surgical, X-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

**2. Exclusions**

We will not pay expenses for "bodily injury":

**a. Any Insured**

To any insured, except "volunteer workers".

**b. Hired Person**

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

**c. Injury On Normally Occupied Premises**

To a person injured on that part of premises you own or rent that the person normally occupies.

**d. Workers' Compensation And Similar Laws**

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

**e. Athletics Activities**

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

**f. Products-Completed Operations Hazard**

Included within the "products-completed operations hazard".

**g. Coverage A Exclusions**

Excluded under Coverage A.

**SUPPLEMENTARY PAYMENTS – COVERAGES A AND B**

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

- a. All expenses we incur.
- b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
- c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
- e. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.
- f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.



- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
  - a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
  - b. This insurance applies to such liability assumed by the insured;
  - c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
  - d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
  - e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
  - f. The indemnitee:
    - (1) Agrees in writing to:
      - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
      - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
      - (c) Notify any other insurer whose coverage is available to the indemnitee; and
      - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
    - (2) Provides us with written authorization to:
      - (a) Obtain records and other information related to the "suit"; and
      - (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph **2.b.(2)** of Section **I – Coverage A – Bodily Injury And Property Damage Liability**, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph **f.** above, are no longer met.

## **SECTION II – WHO IS AN INSURED**

1. If you are designated in the Declarations as:
  - a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
  - b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
  - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
  - d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
  - e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

- a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (1)(a) or (b) above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

- (a) Owned, occupied or used by;
- (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by; you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).
- b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

- c. Any person or organization having proper temporary custody of your property if you die, but only:

- (1) With respect to liability arising out of the maintenance or use of that property; and
- (2) Until your legal representative has been appointed.

- d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
- b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
- c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

### SECTION III – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

- a. Insureds;
- b. Claims made or "suits" brought; or
- c. Persons or organizations making claims or bringing "suits".

2. The General Aggregate Limit is the most we will pay for the sum of:

- a. Medical expenses under Coverage **C**;
- b. Damages under Coverage **A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
- c. Damages under Coverage **B**.

3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage **A** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
4. Subject to Paragraph **2.** above, the Personal And Advertising Injury Limit is the most we will pay under Coverage **B** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
5. Subject to Paragraph **2.** or **3.** above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
  - a. Damages under Coverage **A**; and
  - b. Medical expenses under Coverage **C**
 because of all "bodily injury" and "property damage" arising out of any one "occurrence".
6. Subject to Paragraph **5.** above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
7. Subject to Paragraph **5.** above, the Medical Expense Limit is the most we will pay under Coverage **C** for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

#### **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**

##### **1. Bankruptcy**

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

##### **2. Duties In The Event Of Occurrence, Offense, Claim Or Suit**

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
  - (1) How, when and where the "occurrence" or offense took place;
  - (2) The names and addresses of any injured persons and witnesses; and

- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

- b. If a claim is made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

- c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

##### **3. Legal Action Against Us**

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.



#### 4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

##### a. Primary Insurance

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below.

##### b. Excess Insurance

(1) This insurance is excess over:

- (a) Any of the other insurance, whether primary, excess, contingent or on any other basis:
  - (i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
  - (ii) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;
  - (iii) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or
  - (iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **I** – Coverage **A** – Bodily Injury And Property Damage Liability.
- (b) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured.

(2) When this insurance is excess, we will have no duty under Coverages **A** or **B** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

(3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (b) The total of all deductible and self-insured amounts under all that other insurance.

(4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

##### c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

#### 5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

#### 6. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;

- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

#### **7. Separation Of Insureds**

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

#### **8. Transfer Of Rights Of Recovery Against Others To Us**

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

#### **9. When We Do Not Renew**

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

### **SECTION V – DEFINITIONS**

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
  - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
  - b. Regarding web sites, only that part of a web site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
2. "Auto" means:
  - a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
  - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
4. "Coverage territory" means:
  - a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
  - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph a. above; or
  - c. All other parts of the world if the injury or damage arises out of:
    - (1) Goods or products made or sold by you in the territory described in Paragraph a. above;
    - (2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your business; or
    - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication;

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph a. above or in a settlement we agree to.

5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.
7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
  - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
  - b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.

**9. "Insured contract" means:**

- a.** A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b.** A sidetrack agreement;
- c.** Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d.** An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e.** An elevator maintenance agreement;
- f.** That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph **f.** does not include that part of any contract or agreement:

- (1)** That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
- (2)** That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
  - (a)** Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
  - (b)** Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (3)** Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in **(2)** above and supervisory, inspection, architectural or engineering activities.

**10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".**

**11. "Loading or unloading" means the handling of property:**

- a.** After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b.** While it is in or on an aircraft, watercraft or "auto"; or
- c.** While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

**12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:**

- a.** Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b.** Vehicles maintained for use solely on or next to premises you own or rent;
- c.** Vehicles that travel on crawler treads;
- d.** Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
  - (1)** Power cranes, shovels, loaders, diggers or drills; or
  - (2)** Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e.** Vehicles not described in Paragraph **a.**, **b.**, **c.** or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
  - (1)** Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
  - (2)** Cherry pickers and similar devices used to raise or lower workers;
- f.** Vehicles not described in Paragraph **a.**, **b.**, **c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
  - (a) Snow removal;
  - (b) Road maintenance, but not construction or resurfacing; or
  - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

**13.** "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

**14.** "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
- f. The use of another's advertising idea in your "advertisement"; or
- g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

**15.** "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

**16.** "Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

- (1) Products that are still in your physical possession; or
- (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
  - (a) When all of the work called for in your contract has been completed.
  - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
  - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- b. Does not include "bodily injury" or "property damage" arising out of:

- (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
- (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
- (3) Products or operations for which the classification, listed in the Declarations or in a policy Schedule, states that products-completed operations are subject to the General Aggregate Limit.

**17.** "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

**18.** "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

- a.** An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
- b.** Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

**19.** "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

**20.** "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

**21.** "Your product":

**a.** Means:

- (1)** Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
  - (a)** You;
  - (b)** Others trading under your name; or
  - (c)** A person or organization whose business or assets you have acquired; and
- (2)** Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

**b.** Includes:

- (1)** Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
- (2)** The providing of or failure to provide warnings or instructions.

**c.** Does not include vending machines or other property rented to or located for the use of others but not sold.

**22.** "Your work":

**a.** Means:

- (1)** Work or operations performed by you or on your behalf; and
- (2)** Materials, parts or equipment furnished in connection with such work or operations.

**b.** Includes:

- (1)** Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
- (2)** The providing of or failure to provide warnings or instructions.

COMMERCIAL GENERAL LIABILITY  
CG 21 36 03 05

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION – NEW ENTITIES**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Paragraph 3. of **Section II – Who Is An Insured** does not apply.



**COMMERCIAL GENERAL LIABILITY  
CG 21 39 10 93**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**CONTRACTUAL LIABILITY LIMITATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

The definition of "insured contract" in the DEFINITIONS Section is replaced by the following:

"Insured contract" means:

- a.** A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b.** A sidetrack agreement;
- c.** Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d.** An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e.** An elevator maintenance agreement.

POLICY NUMBER: GGL0026067

COMMERCIAL GENERAL LIABILITY  
CG 21 44 07 98

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **LIMITATION OF COVERAGE TO DESIGNATED PREMISES OR PROJECT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

### **SCHEDULE**

**Premises:**

- 1 - 146 President Street, Unit B, C, D, Charleston, SC, 29403
- 2 - 119 Ashley Avenue, Charleston, SC, 29401
- 3 - 50 Bogard Street, Charleston, SC, 29403

**Project:**

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

This insurance applies only to "bodily injury", "property damage", "personal and advertising injury" and medical expenses arising out of:

1. The ownership, maintenance or use of the premises shown in the Schedule and operations necessary or incidental to those premises; or
2. The project shown in the Schedule.



**COMMERCIAL GENERAL LIABILITY**  
**CG 21 47 12 07**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

## EMPLOYMENT-RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

**A. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:**

This insurance does not apply to:

"Bodily injury" to:

- (1) A person arising out of any:
  - (a) Refusal to employ that person;
  - (b) Termination of that person's employment; or
  - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

**B. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:**

This insurance does not apply to:

"Personal and advertising injury" to:

- (1) A person arising out of any:
  - (a) Refusal to employ that person;
  - (b) Termination of that person's employment; or
  - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

COMMERCIAL GENERAL LIABILITY  
CG 21 49 09 99

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**TOTAL POLLUTION EXCLUSION ENDORSEMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Exclusion f. under Paragraph 2., **Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

This insurance does not apply to:

**f. Pollution**

- (1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

- (2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
- (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

COMMERCIAL GENERAL LIABILITY  
CG 40 14 12 19

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **CANNABIS EXCLUSION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

**A. The following exclusion is added:**

This insurance does not apply to:

1. "Bodily injury", "property damage" or "personal and advertising injury" arising out of:
  - a. The design, cultivation, manufacture, storage, processing, packaging, handling, testing, distribution, sale, serving, furnishing, possession or disposal of "cannabis"; or
  - b. The actual, alleged, threatened or suspected inhalation, ingestion, absorption or consumption of, contact with, exposure to, existence of, or presence of "cannabis"; or
2. "Property damage" to "cannabis".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved that which is described in Paragraph **A.1.** or **A.2.** above.

However, Paragraph **A.1.b.** does not apply to "bodily injury" or "property damage" arising out of the actual, alleged, threatened or suspected inhalation, ingestion, absorption or consumption of, or contact with, "cannabis" by:

- (1) An insured; or
- (2) Any other person for whom you are legally responsible

but only if the "bodily injury" or "property damage" does not arise out of your selling, serving or furnishing of "cannabis" to any person described above.

**B. The exclusion in Paragraph A. does not apply to "personal and advertising injury" arising out of the following offenses:**

1. False arrest, detention or imprisonment; or
2. The wrongful eviction from, wrongful entry into, or invasion of the right or private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor.

**C. The following definition is added to the Definitions section:**

"Cannabis":

**1. Means:**

Any good or product that consists of or contains any amount of Tetrahydrocannabinol (THC) or any other cannabinoid, regardless of whether any such THC or cannabinoid is natural or synthetic.

**2. Paragraph C.1. above includes, but is not limited to, any of the following containing such THC or cannabinoid:**

- a. Any plant of the genus Cannabis L., or any part thereof, such as seeds, stems, flowers, stalks and roots; or
- b. Any compound, byproduct, extract, derivative, mixture or combination, such as:
  - (1) Resin, oil or wax;
  - (2) Hash or hemp; or
  - (3) Infused liquid or edible cannabis;

whether or not derived from any plant or part of any plant set forth in Paragraph **C.2.a.**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## DEDUCTIBLE LIABILITY INSURANCE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

### SCHEDULE

Coverage	Amount and Basis of Deductible	
	Per Occurrence	Per "Unit" or Per Claim
Bodily Injury Liability	\$	\$
OR Property Damage Liability	\$	\$
OR Bodily Injury Liability, Property Damage Liability, and Personal and Advertising Injury Liability Combined	\$ 500	\$

☐ Deductible **includes** costs and expenses

☒ Deductible **excludes** costs and expenses

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

**APPLICATION OF ENDORSEMENT:** (Enter above any limitations on the application of this endorsement. If no limitation is entered, the deductible stated in the Declarations shall apply to damages for all "bodily injury" and "property damage," however caused):

**A.** Our obligation under the Bodily Injury Liability, Property Damage Liability, and Personal and Advertising Injury Liability Coverages to pay damages on your behalf applies only to the amount of damages in excess of any deductible.

**B.** This insurance is subject to a deductible amount on either a per "occurrence," or per "unit"/per claim basis. Your selected deductible applies to the coverage option and on the basis stated in the Schedule above. The deductible amount stated in the Schedule above applies as follows:

**1. PER OCCURRENCE BASIS.** If the deductible amount indicated in the Schedule above is on a

"per occurrence" basis, that deductible amount applies as follows:

- a.** Under Bodily Injury Liability Coverage, to all damages because of "bodily injury";
- b.** Under Property Damage Liability Coverage, to all damages because of "property damage"; or
- c.** Under Bodily Injury Liability, Property Damage Liability, and Personal and Advertising Injury Liability Coverage Combined, to all damages because of:

- (1) "Bodily Injury"
- (2) "Property damage"; or
- (3) "Bodily injury," "property damage," "personal and advertising injury" combined

as a result of any one "occurrence," regardless of the number of persons or organizations who sustain damages because of that "occurrence."

A separate deductible shall apply to all damages arising from each occurrence. Where those damages are presented in conjunction with damages arising from a separate covered occurrence, a separate deductible shall apply to each occurrence.

**2. PER CLAIM/PER "UNIT" BASIS.** If the deductible amount indicated in the Schedule above is on a per claim/per "unit" basis, that deductible amount applies as follows:

- a. Under Bodily Injury Liability Coverage to all damages sustained by each person or claimant because of "bodily injury";
- b. Under Property Damage Liability Coverage, to all damages as a result of "property damage" to each individual vehicle, item of personal property or "unit" of real property;
- c. Under Bodily Injury Liability, Property Damage Liability, and Personal and Advertising Injury Liability Coverage Combined, to all damages because of:
  - (1) "Bodily injury" sustained by each person or claimant;
  - (2) "Property damage" to each individual "unit" or the contents thereof; and
  - (3) "Personal and advertising injury" sustained by each person, claimant, or organization combined.

A separate deductible shall apply to each claimant or "unit" regardless of whether that claim is presented on an individual basis or in conjunction with other claims, such as in a class action or by a homeowners association on behalf of multiple homeowners.

**C.** The terms of this insurance, including those with respect to:

- 1. Our right and duty to defend the insured against any "suits" seeking those damages; and
- 2. Your duties in the event of an "occurrence," claim, or "suit" apply irrespective of the application of the deductible amount.

**D.** We may pay any part of all of the deductible amount to effect settlement of any claim or "suit" and, upon notification of the action taken, you shall reimburse us for such part of the deductible amount as has been paid by us within 30 days.

**E.** We may at our sole election upon receipt or notice of any claim or at any time thereafter request you to pay over and deposit with us all or a part of the deductible amount, to be held and applied per the terms of this policy.

The following additional definition(s) applies: "Unit" means

- (1) each residential unit in a multi-family structure, such as an apartment or condominium,
- (2) each separate commercial enterprise in a multi-commercial structure, such as each store or business in a mall or office building,
- (3) each single-family detached residence, or
- (4) any other individually owned, rented or leased commercial or residential premises.

**ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **CONTINUOUS OR PROGRESSIVE INJURY AND DAMAGE EXCLUSION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

- 1.** This insurance does not apply to any damages because of or related to “bodily injury,” “property damage,” or “personal and advertising injury”:
  - a.** Which first existed, or are alleged to have first existed, prior to the inception date of this Policy; or
  - b.** Which are, or are alleged to be, in the process of taking place prior to the inception date of this Policy, even if the actual or alleged “bodily injury,” “property damage,” or “personal and advertising injury” continues during this policy period.
- 2.** This insurance does not apply to any damages because of or related to “property damage,” or “personal and advertising injury” which were caused, or are alleged to have been caused by any defect, deficiency, inadequacy or condition which first existed prior to the inception date of this policy.

We shall have no duty to defend any insured against any loss, claim, “suit,” or other proceeding alleging damages arising out of or related to “bodily injury,” “property damage,” or “personal and advertising injury” to which this endorsement applies.

**ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **RELATED ENTITY ENDORSEMENT**

1. **SECTION II – WHO IS AN INSURED** is amended by deleting the final sentence of this Section and replacing it with the following:

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations. No person or organization who does not qualify as an insured under this policy becomes an insured because such person or organization is or is alleged to be an alter ego of any person or organization who qualifies as an insured under this policy.

2. The following exclusion is added to the policy:

This insurance does not apply to “Alter Ego Liability.” We will not defend or indemnify for any liability based on, arising out of or in any way connected with “Alter Ego Liability.”

“Alter Ego Liability” means: Any actual or alleged liability based upon, arising out of or in any way connected with any alter ego allegations including but not limited to allegations of single enterprise, joint enterprise, piercing the corporate veil, reverse piercing of the corporate veil, instrumentality rule, or any similar legal basis unless all persons or entities allegedly involved separately qualify as an insured under this policy.

**ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.**



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION – HUMAN TRAFFICKING**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

This insurance does not apply to “bodily injury,” “property damage,” or “personal and advertising injury” arising out of or in any way related to any actual or alleged “human trafficking” or any other “bodily injury,” “property damage,” or “personal and advertising injury” alleged in any claim or “suit” that also alleges “human trafficking.”

“Human trafficking” includes, but is not limited to, forced labor; trafficking with respect to peonage, slavery, involuntary servitude, sexual acts or body parts; sex trafficking of any kind; prostitution; rape; false imprisonment; kidnapping; or attempting to commit or conspiracy to commit offenses relating to any of the foregoing.

**ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION – ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL GENERAL LIABILITY CONTRACTORS SPECIAL FORM

The following exclusion is added to the policy:

This insurance does not apply to “bodily injury”, “property damage”, or “personal and advertising injury” directly or indirectly arising out of, relating to, caused by, resulting from, or in any way connected to:

1. Accessing, disclosing, collecting, taking, storing, or using “electronic data” or “confidential information”; or
2. Cyberattack, hacking, ransomware, malware, virus, or self-replicating code.

As used in this endorsement, “electronic data” includes, but is not limited to, any information, facts, or programs created, stored, or saved in or on any electronic device, software, system, application, database, cloud, or media used for digital storage, including servers, hard or flash drives, hard or floppy disks, CD-ROMS, tapes, or cells.

As used in this endorsement, “confidential information” includes confidential or personal information, including but not limited to patents, trade secrets, processing methods, customer lists, financial information, credit card information, health or medical information, biometric data, or any other type of nonpublic information.

**ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.**

Policy Number: GGL0026067

Mt. Hawley Insurance Company

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **CLASSIFICATION LIMITATION**

Issued To: Beach Cruiser, LLC, 40 Ounce Highway, LLC
Endorsement Effective Date: 8/31/2021

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

This insurance applies only to locations and operations that are described on forms RGBG 670 Location Supplementary Schedule and RGBG 0010 Commercial General Liability Coverage Part Classification Descriptions attached to this policy.

If any operation(s) and/or location(s) are not so described, they are not covered hereunder.

**ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.**

Policy Number: GGL0026067

Mt. Hawley Insurance Company

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****COMBINATION GENERAL LIABILITY ENDORSEMENT  
(NON-CONTRACTORS)**

Issued To: Beach Cruiser, LLC, 40 Ounce Highway, LLC

Endorsement Effective Date: 8/31/2021

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

The policy is amended as follows:

**A. Oral Contracts**

The definition of any "insured contract" is amended solely to apply to such contracts or agreements which existed in writing prior to an occurrence. In no event will this insurance apply to any allegation of liability assumed by the insured under an oral contract. Further, this insurance does not apply to claims arising out of breach of contract, whether oral or written, express or implied, implied-in-law, or implied-in-fact contract.

**B. Other Insurance – Excess**

If other valid and collectible insurance is available to the insured for a loss covered under Coverages **A** or **B** of the Commercial General Liability Coverage Part, our obligations are limited as follows:

This insurance is excess of any other insurance, whether primary, excess, contingent or on any other basis. When this insurance is excess, we will have no duty to defend any claim or "suit" that any other insurer as a duty to defend.

**C. Aircraft, Auto, Watercraft**

The first paragraph of **SECTION I – COVERAGES, 2. Exclusions, g. Aircraft, Auto Or Watercraft** of the Commercial General Liability Coverage Form is deleted and replaced by the following and applies throughout this policy:

This insurance does not apply to:

- g.** "Bodily injury" or "property damage" arising out of, caused by or contributed to by the ownership, non-ownership, maintenance, use or entrustment to others of any aircraft, "auto", watercraft, snowmobile, all-terrain vehicle (ATV) or motorcycle. Use includes operation and "loading and unloading".

This exclusion applies even if the claims against the insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto", watercraft, snowmobile, all-terrain vehicle (ATV) or motorcycle that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent:
- (2) A watercraft you do not own that is:
  - (a) Less than 26 feet long; and
  - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;

- (4) Liability assumed under “insured contract” for the ownership, maintenance or use of aircraft or watercraft; or
- (5) “Bodily injury” or “property damage” arising out of:
  - (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of “mobile equipment” if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged; or
  - (b) The operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of “mobile equipment”.

#### **D. Employees, Leased Workers, Temporary Workers, Casual Labor Or Volunteers**

The definition of “employee” under **SECTION V – DEFINITIONS**, Item 5. of the Commercial General Liability Coverage Part is deleted and replaced as follows:

- 5. “Employee” includes a “leased worker”, “temporary worker”, casual laborer or “volunteer worker”.

#### **E. Additional Exclusions**

The following exclusions are added to the policy:

This insurance does not apply to:

##### **1. Asbestos, Silica Dust And/Or Formaldehyde**

- a. “Bodily injury”, “property damage”, or “personal and advertising injury” arising out of the actual, alleged, or threatened asbestosis, silicosis, mesothelioma, emphysema, pneumoconiosis, pulmonary fibrosis, pleuritis, endothelium or any lung disease or any ailment caused by, or aggravated by exposure, inhalation, consumption or absorption of formaldehyde, asbestos fibers or dust, or silica particles or dust, or product containing any form of formaldehyde, asbestos or silica;
- b. “Bodily injury”, “property damage”, or “personal and advertising injury” arising out of the actual, alleged or threatened presence of formaldehyde, asbestos fibers or dust, or silica particles or dust, or products containing any form of formaldehyde, asbestos or silica;
- c. “Bodily injury”, “property damage”, “personal and advertising injury” or any injury, loss or damage arising out of the insured’s supervision, removal, instruction, recommendations, warranties (expressed or implied), warnings or advice given or withheld regarding formaldehyde, asbestos fibers or dust, or silica particles or dust, or products containing any form of formaldehyde, asbestos or silica;
- d. Any loss, cost or expense arising out of any:
  - i. Request, demand, order or statutory or regulatory requirement that any insured or others identify, abate, test for, sample, monitor, clean up, remove, cover, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of formaldehyde, asbestos fibers or dust, or silica particles or dust, or products containing any form of formaldehyde, asbestos or silica, or repair, replace or improve any property as a result of such effects;
  - ii. Claim or “suit” by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of formaldehyde, asbestos fibers or dust, or silica particles or dust, or products containing any form of formaldehyde, asbestos or silica.

##### **2. Lead Contamination**

- a. “Bodily injury”, “property damage”, or “personal and advertising injury” arising out of the actual, alleged or suspected:
  - i. Ingestion, inhalation, absorption, or prolonged physical exposure or threat of exposure to lead in any form, including goods or products containing any form of lead; or
  - ii. Use of any form of lead in constructing or manufacturing any good, product or structure; or
  - iii. Removal of any forms of lead from any good, product, or structure, or from any body of water and/or watercourse, including but not limited to an ocean, lake, estuary, or marsh, or any land, and/or soil of any nature whatsoever; or

- iv. Manufacture, sale, transportation, storage, or disposal of lead, or goods or products containing any form of lead; or
- b. Any loss, cost or expense arising out of any:
  - i. Request, demand, order or statutory or regulatory requirement that any insured or others identify, abate, test for, sample, monitor, clean up, remove, cover, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of lead; or repair, replace or improve any property as a result of such effects; or
  - ii. Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of lead; or repairing, replacing or improving any property as a result of such effects.

### 3. Cross Suits

"Bodily injury", "property damage", or "personal and advertising injury" arising out of any claim, "suit", action or other proceeding or any allegation or expense initiated or caused to be brought about by any insured covered by this policy against any other insured covered by this policy.

### 4. Communicable Disease

"Bodily injury", "property damage", "personal and advertising injury", or any benefits under the Medical Payments coverage arising out of the actual or alleged transmission of, or exposure to, any "communicable disease" from any person, animal or contaminated environment.

This Exclusion applies even if the claims against any insured allege negligence or any other wrongdoing in the:

- a. Supervising, hiring, employing, training or monitoring of anyone that may be infected with or spread a "communicable disease";
- b. Testing for a "communicable disease";
- c. Failure to contain or prevent the spread of the disease; or
- d. Reporting of, or failure to report, the "communicable disease" to authorities.

"Communicable disease" means any infectious or contagious sickness, disease, illness or condition, including but not limited to any virus, bacterial infection, fungal infection, sexually transmitted disease, or any sickness, disease, illness or condition required to be reported to any local, state, or federal authority.

### 5. Intellectual Property Hazard

"Bodily injury", "property damage", or "personal and advertising injury" arising directly or indirectly out of any alleged or actual:

- a. Deceptive, false, fraudulent, misleading, unfair, unlawful, or untrue business act or practice with respect to advertising; or
- b. Copyright, patent or trademark infringement; or
- c. Misappropriation of trade secret and/or practice, piracy, fraudulent concealment, unjust enrichment, misrepresentation, negligent misrepresentation and any other act or omission that results in the loss of or damage to intellectual property;

whether or not caused by or at the instigation or direction of any insured, any employee of the insured, any patron of the insured, or any other person.

"Intellectual Property Hazard" means any common law or statutory claim, "suit" or administrative proceeding in any way relating to or arising out of patent infringement, trademark infringement, trade dress infringement, infringement of copyright, title or slogan, misappropriation of advertising ideas or style of doing business, disparagement of a person's or organization's goods, products or services; unfair competition, trade libel or slander, violation of the right or privacy, theft of intellectual property, theft of trade secrets, or market share agreements.

### 6. Breach Of Contract

"Bodily injury", "property damage", or "personal and advertising injury" arising out of breach of contract, whether written or oral, expressed or implied, implied-in-law, or implied-in-fact contract.

**7. Criminal, Fraudulent, Dishonest Or Malicious Acts**

"Bodily injury", "property damage", or "personal and advertising injury" arising out of criminal, fraudulent, dishonest or malicious acts or omissions by any insured, employee, leased worker, temporary worker, casual labor or volunteer of any insured or anyone for whom you may be held liable.

**8. Distribution Of Materials In Violation Of Statutes**

"Bodily injury", "property damage", or "personal and advertising injury" arising out of, caused by or contributed to:

Any act or omission that violates or is alleged to violate the Telephone Consumer Protection Act (TCPA), the CAN-SPAM Act of 2003, including any amendment of or addition to such laws, or any analogous local, state or federal statute. Ordinance or regulation, other than the foregoing, that prohibits or limits sending, transmitting, communicating, solicitation, or distribution of material or information using emails, telephone, facsimile, computer or other electronic device.

**9. Medical Payments**

Exclusion **2. a. Any Insured** in **Section I – Coverage C** is deleted in its entirety and replaced by the following:

We will not pay expenses for "bodily injury":

**a. Any Insured**

To any insured.

**10. Discrimination**

"Bodily injury", "property damage", or "personal and advertising injury" arising out of discrimination of any kind, whether actual or alleged.

**F. Audit Premiums**

**SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS** of the Commercial General Liability Coverage Form is amended as follows:

Paragraph **b.** of **5. PREMIUM AUDIT** is replaced by:

- b.** Premium shown in this coverage part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period. Audit premiums are due and payable on notice to the named insured.

Paragraph **d.** is added to **5. PREMIUM AUDIT**:

- d.** The advance premium shown on the Commercial General Liability coverage part Declarations shall be the minimum premium for the policy period and is non-refundable.

**G. Who is an Insured**

- 1.** Paragraph **2.** is deleted in its entirety and replaced by the following:

Each of the following is also an insured:

- a.** Your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" are insureds for:

**(1)** "Bodily injury" or "personal and advertising injury":

- (a)** To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b)** To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph **(1)(a)** above;
- (c)** For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs **(1)(a)** or **(1)(b)** above; or



- (d) Arising out of his or her providing or failing to provide professional health care services.
  - (2) "Property damage" to property:
    - (a) Owned, occupied, or used by,
    - (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by  
you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).
  - b. Any person (other than your "employee"), or any organization while acting as your real estate manager.
  - c. Any person or organization having proper temporary custody of your property if you die, but only:
    - (1) With respect to liability arising out of the maintenance or use of that property; and
    - (2) Until your legal representative has been appointed.
  - d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
2. Paragraph 3. is deleted in its entirety.

## H. Section V – Definitions

Definition 9. is deleted in its entirety and replaced by the following:

9. "Insured contract" means:
- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
  - b. A sidetrack agreement;
  - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
  - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
  - e. An elevator maintenance agreement.

**ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.**

Policy Number: GGL0026067

Mt. Hawley Insurance Company

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ASSAULT AND/OR BATTERY EXCLUSION**

Issued To: Beach Cruiser, LLC, 40 Ounce Highway, LLC
Endorsement Effective Date: 8/31/2021

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART****A.** This insurance does not apply to any claim, "suit", cost, expense and/or cause of action arising from:

1. An assault and/or battery regardless of culpability or intent; or
2. A physical altercation; or
3. Any act, failure to act, error or omission to prevent or suppress an assault and/or battery or physical altercation.

This exclusion applies whether an insured, an insured's employee, a patron or any other person commits, causes, instigates or directs the assault and/or battery or physical altercation.

This exclusion also applies to any claim, "suit", cost, expense or cause of action:

1. By a person or entity seeking recovery or asserting rights arising out of, derived from, contingent upon, or related to a claim by another person for injuries or damages arising out of an assault and/or battery or a physical altercation; or
2. By a person or entity seeking recovery for emotional distress, loss of society, services, consortium and/or income, reimbursement for expenses (including but not limited to medical expenses, hospital expenses, and wages), arising out of, caused or contributed to by, derived from, contingent upon, or related to a claim by another person for injuries or damages arising out of an assault and/or battery or physical alteration; or
3. By a person or entity seeking contribution or indemnification for any claim, "suit", cost or expenses seeking recovery for or arising out of an assault and/or battery or physical altercation; or
4. Alleging negligent hiring, placement, training or supervision, or allegations of any act, error, or omission arising out of or relating to an assault and/or battery or physical altercation; or
5. Alleging failure to provide proper security or safe premises to any person injured in an assault and/or battery or physical altercation.

We are under no duty to defend any insured in any "suit" alleging a cause of action, claim, "suit", cost or expense excluded by the above and/or alleging an assault and/or battery or physical altercation.

**B.** Exclusion a. under Paragraph 2. Exclusions of **SECTION I – COVERAGES, COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY** is replaced by the following:

This insurance does not apply to:

**a. Expected Or Intended Injury**

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured.

**ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.**

Policy Number:GGL0026067

Mt. Hawley Insurance Company

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ANIMAL/REPTILE EXCLUSION**

Issued To:Beach Cruiser, LLC, 40 Ounce Highway, LLC
Endorsement Effective Date:8/31/2021

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The coverage under this policy does not apply to "bodily injury", "property damage", "personal and advertising injury" or medical payments arising out of or caused by any animal or reptile.

**ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.**

Policy Number: GGL0026067

Mt. Hawley Insurance Company

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **REAL ESTATE DEVELOPMENT EXCLUSION**

Issued To: Beach Cruiser, LLC, 40 Ounce Highway, LLC
Endorsement Effective Date: 8/31/2021

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

It is hereby agreed that:

This policy does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of Real Estate Development.

As used in this endorsement, Real Estate Development means:

1. Structural alterations that involve changing the size of or moving buildings or other structures owned by, occupied by, rented to, or leased to any insured;
2. New construction or demolition operations performed on any such buildings or structures;
3. Any contracting or construction work at insured premises described as "vacant land" in the schedule.

The Named Insured expressly agrees and warrants as follows:

1. The premises insured by this policy as vacant land will remain vacant during the policy period;
2. The Named Insured will not engage in any Real Estate Development as defined herein.

Failure of the Named Insured to comply with these agreements and warranties shall invalidate this policy with respect to the premises involved.

**ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.**

Policy Number: GGL0026067

Mt. Hawley Insurance Company

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**PRODUCTS/COMPLETED OPERATIONS  
INCLUDED IN GENERAL AGGREGATE**

Issued To: Beach Cruiser, LLC, 40 Ounce Highway, LLC
Endorsement Effective Date: 8/31/2021

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

For those classifications stated on the supplemental declarations of the general liability coverage part as including products and/or completed operations, if any, the exposure for such is included within the policy general aggregate limit, and no separate products/completed operations aggregate limit applies. You are not covered for products and/or completed operations rising from any other operations not listed on your policy.

**ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.**

Policy Number: GGL0026067

Mt. Hawley Insurance Company

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**FINES, PENALTIES, PUNITIVE OR EXEMPLARY DAMAGES  
EXCLUSION ENDORSEMENT**

Issued To: Beach Cruiser, LLC, 40 Ounce Highway, LLC
Endorsement Effective Date: 8/31/2021

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

This insurance does not apply to fines, penalties, and punitive or exemplary damages, including any obligation to share or repay such fines, penalties or damage to others. This exclusion includes any amount awarded above actual damages due to the application of any state or federal statute which allows a damage award to be multiplied.

**ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.**

Policy Number: GGL0026067

Mt. Hawley Insurance Company

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **NON-STACKING OF LIMITS**

Issued To: Beach Cruiser, LLC, 40 Ounce Highway, LLC
Endorsement Effective Date: 8/31/2021

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

If multiple coverage parts or any other policy issued to you by us or any company affiliated with us apply to the same "occurrence," "claim," or "pollution incident," the maximum Limit of Insurance under all coverage forms or policies combined shall not exceed the highest applicable Limit of Insurance available under any one coverage form or policy.

**ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.**



Policy Number: GGL0026067

Mt. Hawley Insurance Company

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ABUSE OR MOLESTATION EXCLUSION – SCHEDULED**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

This endorsement only applies to the locations listed below. If no locations are listed below, then the Schedule in this endorsement shall include all covered locations listed in the Declarations. Locations include the grounds and structures appurtenant to those locations.

Location #	Address

The following exclusion is added to **SECTION I – COVERAGES, COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions** and **SECTION I – COVERAGES, COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY, 2. Exclusions**:

**Abuse or Molestation**

- A.** This insurance does not apply to “bodily injury”, “property damage”, or “personal and advertising injury” caused by, arising out of, based upon or in any way related, directly or indirectly, to “abuse or molestation” or any act or omission in connection with prevention, suppression, termination, or investigation of such “abuse or molestation”. This insurance also does not apply to any other “bodily injury”, “property damage”, or “personal and advertising injury” alleged in any claim or “suit” that also alleges “abuse or molestation”.

This exclusion applies:

- (1) To any loss, cost or expense arising out of, based upon or relating in any way to “abuse or molestation”;
- (2) Regardless of degree of culpability, intent or negligence;
- (3) Even if any insured or any insured’s agents, “employees”, officers, directors, partners, “volunteer workers” or patrons are alleged to have caused or directed the “abuse or molestation”;
- (4) To acts or omissions of others for whom any insured is allegedly or actually legally responsible;
- (5) To claims against any insured alleging negligence or other wrongdoing in hiring, placement, training, supervision, monitoring, retention, employment or reporting;
- (6) To any claim or “suit” alleging failure to provide proper security or safe premises for any person alleging “abuse or molestation”;
- (7) Regardless of who or what entity is involved in, participates in, is the victim of, causes or incites the “abuse or molestation”;
- (8) Regardless of who is seeking damages or asserting rights arising out of, derived from, related to or in any way connected to “abuse or molestation”;
- (9) To all damages claimed by any person or entity, including emotional distress, mental anguish, reputational harm, medical expenses, hospital expenses, loss of society, services, consortium and/or income, wages or financial loss, arising out of, caused or contributed to by, derived from or related to “abuse or molestation”;
- (10) To any claim, “suit”, loss, cost, or expense for contribution or indemnification arising out of an “abuse or molestation”;

(11) To any allegation of breach of fiduciary duty in any way associated with "abuse or molestation"; or

(12) To any allegation of slander or defamation made by a person or entity seeking damages in any way related, directly or indirectly, to "abuse or molestation".

**B. Exclusion a. under Paragraph 2. Exclusions of SECTION I – COVERAGES, COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY is replaced by the following:**

This insurance does not apply to:

**a. Expected Or Intended Injury**

"Bodily injury" or "property damage" caused by an intentional or purposeful act, regardless whether the "bodily injury" or "property damage" was intended.

**C. As used in this endorsement, "abuse or molestation" means:**

**1. Any actual, alleged, or threatened, whether negligent or intentional:**

**(a)** Physical abuse, attack, or molestation;

**(b)** Sexual abuse, attack, touching, misconduct, or molestation;

**(c)** Indecent exposure;

**(d)** Sexting or transmitting of any sexual images or content by any electronic, digital or telecommunication means; or

**(e)** Abuse or bullying in any manner or media.

**2. Any actual, alleged, negligent, intentional or perceived undue influence or coercion in connection with conduct described in paragraph (1)(a) through (e) of this definition.**

**ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.**

Policy Number: GGL0026067

Mt. Hawley Insurance Company

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION – FIREARMS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

The following exclusion is added to Paragraph **2. Exclusions** of **SECTION I – COVERAGES, COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY, COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY** and **COVERAGE C – MEDICAL PAYMENTS**:

This insurance does not apply to “bodily injury”, “property damage”, “personal and advertising injury” or medical payments for injury sustained by any person caused directly or indirectly by the discharge of firearms by any person or people on or about the insured premises.

**ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.**

Policy Number: GGL0026067

Mt. Hawley Insurance Company

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION – HUNTING ACTIVITIES**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following is added to **SECTION I – COVERAGES, COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions; COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY, 2. Exclusions; and COVERAGE C – MEDICAL PAYMENTS, 2. Exclusions:**

This insurance does not apply to:

“Bodily injury”, “property damage”, “personal and advertising injury” or medical payments arising out of any hunting activity on your property.

**ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.**

Policy Number: GGL0026067

Mt. Hawley Insurance Company

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ASSAULT OR BATTERY EXCLUSION – SCHEDULED**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

This endorsement is only applicable to the locations listed below. If no locations are listed below, then the Schedule in this endorsement shall refer to all locations covered under this policy.

Location No.	Address

The following exclusion is added to **SECTION I – COVERAGES, COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions** and **SECTION I – COVERAGES, COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY, 2. Exclusions**:

**Assault Or Battery**

- A.** This insurance does not apply to “bodily injury”, “property damage”, or “personal and advertising injury” caused by, arising out of, based upon or relating in any way to any actual or threatened “assault or battery” or any act or omission in connection with prevention, suppression, termination, or investigation of such “assault or battery”. This insurance also does not apply to any other “bodily injury”, “property damage”, or “personal and advertising injury” alleged in any claim or “suit” that also alleges “assault or battery”.

This exclusion applies:

- (1) To any loss, cost or expense arising out of, based upon or relating in any way to an “assault or battery”;
- (2) Regardless of degree of culpability, intent or negligence;
- (3) Even if any insured or any insured’s agents, “employees”, officers, directors, partners, “volunteer workers” or patrons are alleged to have caused or directed the “assault or battery”;
- (4) To acts or omissions of others for whom any insured is allegedly or actually legally responsible;
- (5) To claims against any insured alleging negligence or other wrongdoing in the hiring, placement, training, retention, employment, monitoring or supervision of others by that insured;
- (6) To any claim or “suit” alleging failure to provide proper security or safe premises to any person injured in an “assault or battery”;
- (7) No matter what person or entity is involved in, participates in, is the victim of, causes or incites the “assault or battery”;
- (8) Regardless of who is seeking recovery or asserting rights arising out of, derived from, contingent upon, or related to a claim by another person for injuries or damages arising out of an “assault or battery”;
- (9) Even if the person or entity is seeking any recovery – including for emotional distress, loss of society, services, consortium and/or income, reimbursement for expenses (including but not limited to medical expenses, hospital expenses, and wages) – arising out of, caused or contributed to by, derived from, contingent upon, or related to a claim by another person for injuries or damages arising out of an “assault or battery”; or

(10) To any claim, "suit", loss, cost, or expense for contribution or indemnification arising out of an "assault or battery".

- B. Exclusion a. under Paragraph 2. Exclusions of SECTION I – COVERAGES, COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY is replaced by the following:**

This insurance does not apply to:

**a. Expected Or Intended Injury**

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured.

- C.** This endorsement applies only to "bodily injury", "property damage", or "personal and advertising injury" that occurs at the locations shown in the Schedule above or the grounds and structures appurtenant to those locations.
- D.** As used in this endorsement, "assault or battery" means:
1. Harmful, unlawful or offensive contact upon a person or persons; or
  2. Actions or words that directly or indirectly threaten or cause apprehension of harmful, unlawful or offensive contact upon a person.

**ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.**

Policy Number: GGL0026067

Mt. Hawley Insurance Company

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****PREMIUM COMPUTATION ENDORSEMENT****Refer to Commercial GENERAL LIABILITY COVERAGE FORM**

**SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS 5. Premium Audit b.** is deleted and replaced with the following:

- b.** The Total Advance Premium shown in the Declarations of this policy is an estimated premium. At the close of each audit period, we may conduct an audit of your books and records to determine the actual premium due.

You must maintain your books and records necessary for premium computation and, within a reasonable time period after requested (not to exceed 90 days), must present them for inspection as we direct. We may, at our discretion, charge you for any additional fees we incur due to your failure to timely comply with any audit request.

If the first Named Insured fails to present the records as timely and reasonably requested or does not cooperate with an audit, the audit will be deemed unproductive and an Audit Premium will be determined, at our sole option, based on either: 1) information available to us without your cooperation, or 2) an assumption that the Premium Basis will be increased by fifty (50%) percent above that listed in the Declarations or subsequent premium endorsements. However, in no case will the calculated premium be less than the Minimum Audit Premium shown in the Declarations or as adjusted by any premium endorsements issued.

Audit Premiums in excess of the Minimum Audit Premium, whether calculated with your cooperation or not, are due and payable upon notice to the first Named Insured shown in the Declarations.

If the Audit Premium is greater than the Minimum Audit Premium then an additional premium will be charged. If the Audit Premium is less than the Minimum Audit Premium shown in the Declarations or subsequent premium endorsements, no premium will be returned.

Failure to maintain and timely supply your books and records, failure to cooperate with an audit request during or at the conclusion of a policy term, or failure to pay any additional Audit Premium when due will be deemed a breach of contract and may, at our sole discretion, result in a cancellation of this policy as well as any other policy of yours in force for breach of such policy conditions. Unless prohibited by applicable law, we may offset any return premium owed to you with any other amount you owe to us from this policy or any other policy.

In the event of mid-term cancellation, the applicable pro rata or short rate of the Minimum Audit Premium shown in the Declarations or as adjusted by premium endorsement will apply or the Audit Premium, whichever is greater.

Definitions of the most commonly used Premium Basis are as follows:

**Admissions** is defined as the total number of persons, other than employees of the named insured, admitted to an event or events conducted on the premises whether on paid admission, tickets, complimentary tickets, or passes.

**Area** means the total number of square feet of floor space at the insured premises.

**Each** This basis of premium involves units of exposure, and the quantity comprising each unit of exposure is indicated in the premium classification footnotes, such as "each person".

**Gross Sales or Receipts** is defined as the gross amount charged by the named insured, concessionaires of the named insured, or by others trading under the insured's name for:

- a) All goods or products sold or distributed;
- b) Operations performed during the policy period; and
- c) Rentals;
- d) Dues or fees.



Only the following items shall be deducted from Gross Sales or Receipts:

- 1) Sales or excise taxes which are collected and remitted directly to a governmental division.
- 2) Credits for repossessed merchandise and products returned.

**Payroll or Remuneration** is defined as the sum of salaries, wages, tips, piece of work, commission, bonuses, board and meals for work performed and excluding excess in accordance with the state payroll limitation rules.

Overtime is defined as hours worked at increased rates of pay in excess of hours normally worked in a given day or week. If there is a guaranteed wage plan which assures employees a given wage for working a specific number of hours per week, then the overtime means only the hours worked in excess of that specific amount. If there are records available showing the wages paid for overtime separately, which exceed the amount that would have been paid for the same work during normal hours, then all such excess wages are excluded. If these records show only the total of wages paid, including overtime on a time and one-half basis, then one-third of those wages should be excluded. If double time is paid for overtime and the total pay for such overtime is recorded separately, one-half of the total pay for double time shall be excluded.

Excluded from payroll is remuneration paid to clerical office employees, including those whose duties are strictly limited to keeping the insured's books or records, conducting correspondence, or engaged in clerical work in these areas. Anyone who does not work in the area separated physically by walled floors, or partitions from all other work areas of the insured is not considered. An exception to this is if the payroll or clerical office employees are specifically included in a classification wording or footnote of the ISO general liability classification.

**Rental Receipts** is defined as the gross amount charged by the named insured, concessionaires of the named insured, or by others trading under the insured's name for rental of equipment.

**Total Cost or Cost** is defined as the total cost of all work, let or sublet in connection with each specific project including

- a) Cost of all labor, materials and equipment furnished, used or delivered for use in the execution of the work; and
- b) All fees, bonuses or commissions made, paid or due.

**Units** is defined as the number of persons or items described.

**ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.**

Policy Number: GGL0026067

Mt. Hawley Insurance Company

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****WARRANT(S) ENDORSEMENT**

Issued To: Beach Cruiser, LLC, 40 Ounce Highway, LLC

Endorsement Effective Date: 8/31/2021

In consideration of the premium charged it is hereby agreed and understood that this policy warrants the following:

(All checked warrants apply):

1. ☐ Location/Building #'s  
Property must be accessible year round by the fire department.
2. ☒ Location/Building #'s 1, 2, 3  
No residential rental properties are Mobile Homes
3. ☒ Location/Building #'s 1, 2, 3  
All residential rental units have fully functioning smoke detectors.
4. ☒ Location/Building #'s 1, 2, 3  
All residential units have dead bolts and peep holes.
5. ☒ Location/Building #'s 1, 2, 3  
All residential rental units have fully functioning carbon monoxide detectors where required by code.
6. ☐ Location/Building #'s  
Insured premise(s) are locked and fully secured against unauthorized entry.
7. ☐ Location/Building #'s  
Insured premise(s) are visited at least every two weeks by the insured or a representative of the insured.
8. ☒ Location/Building #'s 1, 2, 3  
All stairs have railings as required by code.
9. ☐ Location/Building #'s  
Combined residential and food service: automatic extinguishing system and hood exhaust are in good working condition and under contract for semiannual inspection/cleaning.
10. ☒ Location/Building #'s 1, 2, 3  
Properties meet all local, state and federal fire and building code requirements.
11. ☐ Location/Building #'s  
OTHER:

**ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.**

Policy Number: GGL0026067

Mt. Hawley Insurance Company

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION – SANITIZING**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

This insurance does not apply to "bodily injury," "property damage," "personal and advertising injury," or any benefits under the Medical Payments coverage arising out of or in any way related to cleaning, sanitizing, disinfecting, or decontamination, regardless of when such services are performed, whether such operations are conducted by you or on your behalf, or whether the operations are conducted for yourself or for others.

This exclusion applies regardless of where such operations are conducted by you or on your behalf.

**ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.**

Policy Number: GGL0026067

Mt. Hawley Insurance Company

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **DEFENSE AND TENDER OF LIMITS ENDORSEMENT**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

The following is added to **SECTION I - COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 1. Insuring Agreement:**

- f. We may offer to any insured who is a defendant in a "suit" the full available and applicable Limits of Insurance, which shall extinguish our duty to defend and, upon payment, shall extinguish our duty to indemnify any insured.
- g. We shall have the right to examine and rely on information or documents extrinsic to the allegations in a pleading filed in a "suit" to determine our duty to defend any insured.
- h. If we defend any insured but later determine that we have no duty to defend, we will have the right to reimbursement from that insured for all defense costs and expenses, including attorney's fees, we have incurred.
- i. Any insured will bear its own costs and legal fees in connection with prosecuting any suit or counterclaim brought by any insured against us or defending any suit or counterclaim brought by us against any insured. We shall have no obligation to reimburse any insured for such fees or costs.

The following is added to **SECTION I - COVERAGES, COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY, 1. Insuring Agreement:**

- c. We may offer to any insured who is a defendant in a "suit" the full available and applicable Limits of Insurance, which shall extinguish our duty to defend and, upon payment, shall extinguish our duty to indemnify any insured.
- d. We shall have the right to examine and rely on information or documents extrinsic to the allegations in a pleading filed in a "suit" to determine our duty to defend any insured.
- e. If we defend any insured but later determine that we have no duty to defend, we will have the right to reimbursement from that insured for all defense costs and expenses, including attorney's fees, we have incurred.
- f. Any insured will bear its own costs and legal fees in connection with prosecuting any suit or counterclaim brought by any insured against us or defending any suit or counterclaim brought by us against any insured. We shall have no obligation to reimburse any insured for such fees or costs.

Paragraph 1. (a) (2) in **SECTION I - COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 1. Insuring Agreement** and **COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY, 1. Insuring Agreement**, is amended to read:

- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or when we have offered our applicable Limits of Insurance under Coverages A or B or medical expenses under Coverage C.

**ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.**

Policy Number: GGL0026067

Mt. Hawley Insurance Company

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **AMENDED CONDITIONS ENDORSEMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS** is amended to add the following Conditions:

- A.** There is no coverage under this policy, this insurance shall not apply, and we shall have no duty to defend or indemnify any insured for any claim or “suit” alleging “bodily injury,” “property damage,” or “personal and advertising injury” if, at any time and regardless of intent, you or any other insured provide incorrect, false, inaccurate or incomplete information in the Application for this policy. For purposes of this endorsement, the Application(s) includes, without limitation, any application forms and any other forms, documents, or information submitted to us in connection with or relating to issuance of this policy. For purposes of this endorsement, the Application(s) is a part of this policy and is incorporated herein.
- B.** There is no coverage under this policy, this insurance shall not apply, and we shall have no duty to defend or indemnify any insured for any claim or “suit” alleging “bodily injury,” “property damage,” or “personal and advertising injury” if, at any time and regardless of intent, you or any other insured provide incorrect, false, inaccurate or incomplete information in connection with any claim or “suit” submitted for coverage under this policy.

**ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.**

**Mt. Hawley Insurance Company**  
Peoria, Illinois 61615

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SERVICE OF SUIT AND CONDITIONS ENDORSEMENT**

### **Conditions**

1. This Policy is amended to add the following Conditions:

**AA. Jurisdiction and Venue.** It is agreed that in the event of the failure of the Company to pay any amount claimed to be due hereunder, the "Insured" shall submit to the jurisdiction of a court of competent jurisdiction in the State of New York, and shall comply with all the requirements necessary to give such court jurisdiction. Any litigation commenced by any "Insured" against the Company shall be initiated in New York. Nothing in this clause constitutes or should be understood to constitute a waiver of the Company's right to remove an action to a United States District Court.

**BB. Choice of Law.** All matters arising hereunder including questions related to the validity, interpretation, performance and enforcement of this Policy shall be determined in accordance with the law and practice of the State of New York (notwithstanding New York's conflicts of law rules).

2. The following paragraph is added to the **Condition** entitled **Legal Action Against Us**:

Notwithstanding any other provision of this Condition, in the event we disclaim coverage for an "Insured" for any claim or "suit", no action shall be commenced against the Company more than two (2) years after the earliest date on which any letter disclaiming coverage was mailed, including by U.S. mail, overnight mail, or email, by the Company to the "Insured".

3. For purposes of this endorsement, the word "Insured" means you and any person or organization qualifying or claiming to qualify as such under **Section II – Who Is An Insured** and any person or organization qualifying or claiming to qualify as an additional insured.

### **Service of Suit**

It is agreed that service of process in any "suit" against the Company may be made upon the Superintendent, Commissioner, or Director of Insurance or other person specified for that purpose in the statute or his successor or successors in office as their true and lawful attorney upon whom may be served any lawful process in any action, "suit", or proceeding instituted by or on behalf of any "Insured" or any beneficiary hereunder arising out of this contract of insurance.

The Company hereby designates Craig W. Kliethermes, President,

**Mt. Hawley Insurance Company**

9025 N. Lindbergh Drive, Peoria, Illinois 61615 as the person to whom the said Superintendent, Commissioner, or Director of Insurance is authorized to mail such process or a true copy thereof, in compliance with the applicable statutes governing said service of process in the state or jurisdiction.

**ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.**